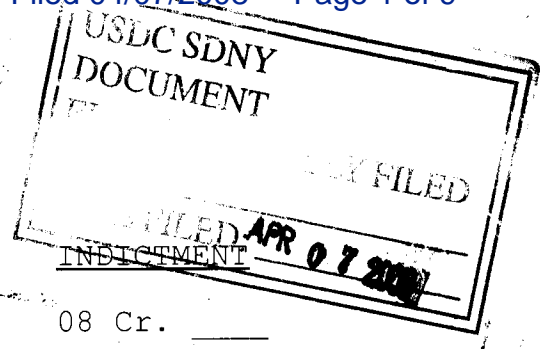


AGE BATTS



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

CHUN KIT LI,
YI LI,

Defendants.

08 CRIM 300

COUNT ONE

The Grand Jury charges:

1. From at least in or about April 2003 up to and including in or about January 2008, in the Southern District of New York and elsewhere, CHUN KIT LI and YI LI, the defendants, together with others known and unknown, unlawfully, willfully, and knowingly combined, conspired, confederated, and agreed together and with each other to violate the laws of the United States.

2. It was a part and an object of said conspiracy that CHUN KIT LI and YI LI, the defendants, and others known and unknown, would and did embezzle, steal, purloin, and convert to their own use and the use of another, money and things of value, the value of which exceeded \$1,000, of the United States and a department and agency thereof, to wit, the United States Department of Housing and Urban Development ("HUD"), and did receive, conceal, and retain the same with intent to convert it to their own use and gain, knowing it to have been embezzled,

stolen, purloined and converted, in violation of Title 18, United States Code, Section 641.

OVERT ACTS

3. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. On or about January 7, 2004, CHUN KIT LI and YI LI, the defendants, signed and submitted a certification to HUD in which they misrepresented their income and assets.

b. On or about December 28, 2005, CHUN KIT LI and YI LI, the defendants, signed and submitted a certification to HUD in which they misrepresented their income and assets.

c. On or about October 11, 2006, CHUN KIT LI and YI LI, the defendants, signed and submitted a certification to HUD in which they misrepresented their income and assets.

(Title 18, United States Code, Section 371.)

COUNT TWO

The Grand Jury further charges:

4. From at least in or about April 2003, up to and including in or about January 2008, in the Southern District of New York and elsewhere, CHUN KIT LI and YI LI, the defendants, unlawfully, willfully, and knowingly, did embezzle, steal, purloin, and convert to their own use and the use of another, money and things of value, the value of which exceeded \$1,000,

of the United States and a department and agency thereof, to wit, the United States Department of Housing and Urban Development ("HUD"), and did receive, conceal, and retain the same with intent to convert it to their own use and gain, knowing it to have been embezzled, stolen, purloined and converted, to wit, CHUN KIT LI and YI LI received federal housing subsidies, to which they were not entitled, through fraud and deceit.

(Title 18, United States Code, Sections 641 and 2.)

COUNT THREE

The Grand Jury further charges:

5. From at least in or about April 2003, up to and including in or about January 2008, in the Southern District of New York and elsewhere, CHUN KIT LI and YI LI, the defendants, together with others known and unknown, unlawfully, willfully, and knowingly combined, conspired, confederated, and agreed together and with each other to violate the laws of the United States.

6. It was a part and an object of said conspiracy that CHUN KIT LI and YI LI, the defendants, and others known and unknown, would and did execute and attempt to execute a scheme and artifice to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, a health care benefit program, to wit, Medicaid, in connection with the delivery of and payment for health care benefits, items, and

services, in violation of Title 18, United States Code, Section 1347.

OVERT ACTS

7. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. On or about July 15, 2004, CHUN KIT LI, the defendant, signed and submitted an application for Medicaid in which he misrepresented his family's income and assets.

b. On or about October 8, 2006, YI LI, the defendant, signed and submitted a Medicaid/Family Health Plus Renewal Notification to the City of New York Human Resources Administration in which she misrepresented her family's income and assets.

(Title 18, United States Code, Sections 371.)

COUNT FOUR

The Grand Jury further charges:

8. From at least in or about April 2003, up to and including in or about January 2008, in the Southern District of New York and elsewhere, YI LI, the defendant, did execute and attempt to execute a scheme and artifice to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, a health care benefit program, to wit, Medicaid, in

connection with the delivery of and payment for health care benefits, items, and services, to wit, YI LI obtained Medicaid benefits on behalf of herself and her children, to which they were not entitled, through fraud and deceit.

(Title 18, United States Code, Sections 1347, 1349, and 2.)

COUNT FIVE

The Grand Jury further charges:

8. From at least in or about July 2004, up to and including in or about January 2008, in the Southern District of New York and elsewhere, CHUN KIT LI, the defendant, did execute and attempt to execute a scheme and artifice to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, a health care benefit program, to wit, Medicaid, in connection with the delivery of and payment for health care benefits, items, and services, to wit, CHUN KIT LI obtained Medicaid benefits to which he was not entitled, through fraud and deceit.

(Title 18, United States Code, Sections 1347, 1349, and 2.)

FORFEITURE ALLEGATION

9. As the result of committing the fraud offenses in violation of Title 18, United States Code, Sections 371, 641, and 2, alleged in Counts One and Two of this Indictment, CHUN KIT LI and YI LI, the defendants, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, all

property, real and personal, that constitutes or is derived from gross proceeds traceable to the commission of the said offenses, for which the defendants are jointly and severally liable.

Substitute Asset Provision

If any of the above-described forfeitable property, as a result of any act or omission of the defendant(s):

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant(s) up to the value of the above forfeitable property, including but not limited to the following:

- a. Sing Luck Garden restaurant, located at 3470 Broadway, New York, New York;
- b. The building located at 320 Huntington Avenue, Bronx, New York;
- c. The building located at 2225 Newbold Avenue, Bronx, New York; and

- d. The building located at 6933 Souder Street,
Philadelphia, Pennsylvania.

(Title 18, United States Code, Section 981 and
Title 28, United States Code, Section 2461)

FORFEITURE ALLEGATION

10. As the result of committing one or more of the Federal health care offenses in violation of 18 U.S.C. §§ 24 and 1347, 371, and 1349, alleged in Counts Three, Four, and Five of this Indictment, CHUN KIT LI and YI LI, the defendants, shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(7), all property, real and personal, that constitutes or is derived, directly and indirectly, from gross proceeds traceable to the commission of the said offenses, for which the defendants are jointly and severally liable.

Substitute Asset Provision

If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or

(5) has been commingled with other property which cannot be subdivided without difficulty; it is the intent of the United States, pursuant to 18 U.S.C. § 982(b) and 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant(s) up to the value of the above forfeitable property, including but not limited to the following:

- a. Sing Luck Garden restaurant, located at 3470 Broadway, New York, New York;
- b. The building located at 320 Huntington Avenue, Bronx, New York;
- c. The building located at 2225 Newbold Avenue, Bronx, New York; and
- d. The building located at 6933 Souder Street, Philadelphia, Pennsylvania.

(Title 18, United States Code,
Sections 982 and 1374, 371, 1349, and 2.)


FOREPERSON


MICHAEL J. GARCIA
United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

CHUN KIT LI,
YI LI,

Defendants.


INDICTMENT

08 Cr.

(18 U.S.C. §§ 371, 641, 1347, 1349 & 2)

MICHAEL J. GARCIA
United States Attorney.

A TRUE BILL


Foreperson.

Filed indictment. Case assigned to Judge Ba Hs.
A/W issued for Defs Chun Kit Li. + Yi Li.

— Francis, J.

SRH
4/7/08